

blank,
don't
print --



chapter 3

The United Nations: An effective partnership player?

Only ten years ago, United Nations involvement in many of the partnerships illustrated in the previous chapter would have been thought of as revolutionary. By leveraging the skills and resources of business and civil society, partnerships are increasingly recognized as an important positive factor driving overall reform at the United Nations.

During the past decade, the United Nations has come a long way in reaching out to business and civil society. Only ten years ago, United Nations involvement in many of the partnerships illustrated in the previous chapter would have been thought of as revolutionary. Similarly, the degree of openness of the intergovernmental system to non-governmental actors would have been unimaginable. Today, for a steadily rising number of United Nations organizations and their staff members, collaborating with non-governmental actors has become an increasingly important part of their day-to-day work. Partnerships in particular are a growth area for the United Nations and they continue to spark tremendous innovation and experimentation across the entire spectrum of the Organization's work.

This trend towards working in partnership with business and civil society has produced impressive results that contribute to the accomplishment of United Nations goals (including the Millennium Development Goals). It has also triggered a process of profound structural and cultural change within the United Nations. By leveraging the skills and resources of business and civil society, partnerships are increasingly recognized as an important positive factor driving overall reform at the United Nations. For instance, by facilitating the transfer of skills or by disseminating good management practice or new technologies, partnerships are serving to leverage the skills and resources of other stakeholders to the ongoing change process within the United Nations.¹

Governments are supporting these developments by advocating and leveraging change in the United Nations. They also execute political oversight, thereby lending important legitimacy to the many ongoing initiatives. Many Governments also actively participate in partnership projects themselves, as the brief illustration of cases has

shown. In fact, as the examples demonstrate, the participation of Governments – both local and national – is crucial for local ownership as well as partnership impact. Finally, many Governments have also launched their own partnership programmes, reaching out to other stakeholders in order to enhance their work. Therefore, Governments are not sidelined by partnerships as some sceptics may believe. On the contrary, Governments are often central partnership players and many are actively supporting the United Nations in its efforts to work more effectively in multisectoral alliances.

Within the United Nations, the United Nations Global Compact is playing a critical role in facilitating the change process, fostering the opening of the intergovernmental process and nurturing concrete partnership projects with external stakeholders. It has done so by reaching out to business, advocating business engagement within the United Nations and facilitating the internalization of United Nations Global Compact principles within the United Nations itself. The United Nations Global Compact continues to be a magnet for businesses eager to support the goals of the United Nations, including the MDGs. As of August 2005, more than 2,000 companies and other stakeholders are participants of the Secretary-General's voluntary initiative advancing responsible corporate citizenship. It is particularly important to note the strong and growing participation of companies from developing economies, including Brazil, China, Egypt and India. The United Nations Global Compact asks participating companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. This set of core values now includes ten principles that the United Nations Global Compact seeks to integrate into business

Governments are often
central partnership players
and many of them are
actively supporting the
United Nations in its efforts
to work more effectively
in multisectoral alliances.

The process of structural
and cultural transformation
in the United Nations
is by no means complete,
nor has it progressed
evenly within the
United Nations system.

activities through a range of activities and engagement mechanisms, including dialogue, learning, outreach and projects.² Through its growing web of local UN Global Compact networks, the initiative has entered a path of healthy and sustainable growth. The increasingly important role of local networks is also driving much of the reform of the initiative's governance structure that will be implemented in the second half of 2005.

The United Nations Global Compact Office has also become a catalyst and information provider for institutional reform within the United Nations. The United Nations is currently in the process of internalizing the United Nations Global Compact's ten principles in four key areas: procurement practices, pension fund policies, facilities management and human resource management. The United Nations Global Compact Office participates in an advisory group that has been established to provide guidance to the United Nations' four working groups and also assists in promoting the ten principles on a broader basis throughout the organization. The United Nations Global Compact Office has been supporting the efforts of the Procurement Division to develop a draft United Nations Supplier Code of Conduct and numerous awareness-raising activities have been undertaken.

The process of structural and cultural transformation in the United Nations is by no means complete, nor has it progressed evenly within the Organization. In fact, it varies substantially across the United Nations system. This is not surprising, given the huge diversity of existing partnerships, the multiplicity of mandates and work profiles that exist as well as the varying levels of resources organizations are able to commit to this change process.

This chapter provides a snapshot of the accomplishments and remaining challenges that the United Nations faces as it undergoes the process of cultural and structural reform necessary to turn itself into an effective partnership player. This chapter focuses on two issues in particular.

First, it reviews the progress that has been made in opening the United Nations intergovernmental process to business and civil society. This opening has not merely been instrumental for introducing new perspectives to international policy debates. In addition, it has also created an enabling environment for additional project-related partnerships to emerge. Second, the chapter provides a preliminary overview and assessment of the various efforts made recently by United Nations organizations to put in place the necessary skills, policies, mechanisms and tools to facilitate the development of partnerships with business and civil society. It focuses on achievements as well as the remaining impediments to strong management and local ownership in partnerships.

Opening the United Nations to business and civil society

One of the most spectacular trends in recent years is the fast pace at which the United Nations has begun to include business and civil society in the intergovernmental process. The motivation behind opening the doors of traditionally intergovernmental processes to other stakeholders is clear. In many cases, non-governmental actors bring critical resources to the table – particularly knowledge and expertise that are conducive to improving the quality of the intergovernmental process. In addition, the United Nations and Governments have realized that by giving business and civil society a seat at the table, they increase the likelihood that agreements will actually be implemented. As such, partnerships can play an important role in supporting the implementation

of objectives and mandates stemming from intergovernmental deliberations. Yet, a voice in global public policy making does not usually translate into a vote. It is only in rare cases that actors from business and civil society attain decision-making power in United Nations forums.³

The trend of opening up the doors to business and civil society is not entirely new. The first United Nations conference that featured formal engagement of external stakeholders was the Stockholm Conference on the Human Environment, which took place in 1972.⁴ Ever since, the inclusion of voices from business and civil society has become more systematic across the United Nations system.⁵ Particularly since the early 1990s, this process of giving business and civil society a stake has gained rapid momentum.

In the case of United Nations-business relations, this process can be clearly characterized as one of “rapprochement”.⁶ At the time of the founding of the United Nations, the business community was an ardent supporter of the world organization. Individual companies as well as international business associations such as the International Chamber of Commerce (ICC) provided their political backing to the creation of the United Nations, emphasizing the critical importance of such an institution to stabilizing peace and thereby prosperity in the world. With the onset of the Cold War, United Nations-business relations grew antagonistic. The demise of the superpower conflict and the fast pace of globalization have fundamentally altered the environment for United Nations-business relations, providing a space for more constructive engagement.

Financing for development

One of the most recent and most prominent examples of effective stakeholder engagement can be found in the follow-up process to the Financing for Development Conference, held in Monterrey, Mexico, in March 2002. In response to a General Assembly resolution, the Financing for Development Office has initiated a series of multistakeholder consultations on financing for development issues.⁷ The findings were presented at the High Level Dialogue on Financing for Development in June 2005.

Partners from business and civil society have been responsible for managing some of these consultations, focusing on: how partnerships can enhance the climate for private investment (for consultations managed by the World Economic Forum see Box 14); how systemic issues included in the Monterrey Consensus can best be addressed (consultations managed by New Rules for Global Finance Coalition); and how to build inclusive financial systems (consultations managed by the Financing for Development Office itself). The business sector has also been actively involved in another set of multistakeholder consultations managed by the Financing for Development Office, dealing with the impact of sovereign debt on development. In this context, the Financing for Development Office has formed a business advisory committee on debt comprising leading investors and bankers, to provide expert input to meetings on this issue.

One of the most spectacular trends in recent years is the fast pace at which the United Nations has begun to include business and civil society in the intergovernmental process.

One of the most recent and most prominent examples of effective stakeholder engagement at the United Nations can be found in the follow-up process to the Financing for Development Conference.





Financing for Development

MONTERREY, MEXICO
18-22 MARCH 2002



UNITED NATIONS

Box 13 | Financing for Development Initiative

In March 2002, the United Nations convened the International Conference on Financing for Development in Monterrey, Mexico. The participating stakeholders concluded that greater cooperation between the public and the private sector is crucial to overcome the shortcomings of development finance and to achieve the Millennium Development Goals (MDGs).

Responding to the stakeholders' call for greater coherence between public and private actors, the United Nations Department of Economic and Social Affairs and the World Economic Forum's Global Institute for Partnership and Governance launched the Financing for Development Initiative (FFDI). Over the course of a series of roundtables with practitioners, the FFDI's work stream on Public-Private Partnerships analyzed and documented obstacles and success factors regarding opportunities for partnerships in the areas of education, health and water – with a special focus on reaching the MDGs.

While the roundtables covered three separate issue areas, the practitioners identified similar opportunities and obstacles with regard to partnership activities. They referred to difficulties in negotiating and reaching agreement between non-traditional parties. Lack of political will and public support for partnership projects as well as

the inability to agree on performance targets further tends to jeopardize successful partnering. Effective partnership work further relies on trust-building factors, such as strong negotiation skills, a transparent operating environment, effective systems and time. Overcoming funding barriers, improved financial forward planning and efficient management of transaction costs represent additional challenges.

Participants from all roundtables stressed the importance of experienced and well-connected “champions” whose leadership contributions can significantly facilitate partnership development and implementation. An understanding of shared objectives constitutes yet another central factor for successful collaboration. Participants further emphasized the value of a careful partner selection process. Representatives of the roundtables underlined that strong representation, particularly of domestic actors, strengthens programme relevance, effectiveness and ownership. Clear management processes, such as the introduction of budget lines, help improve partnership performance and the partners’ “capacity to collaborate”. Participants further noted that partnerships have failed or underperformed as a result of insufficient programme accountability and poorly defined roles. Good governance and effective accountabil-

ity structures should therefore accompany improvements in ownership and management processes.

The results of the FFDI gatherings were summarized in an interim report that was published in June 2005. The final report will be presented at the next High-Level Plenary Meeting of the 60th session of the General Assembly in September 2005. The findings will also feed into the World Economic Forum Annual Meeting 2006 in Davos.

More information at:

United Nations Department of Economic and Social Affairs: Follow-up process to the conference on Financing for Development
<http://www.un.org/esa/ffd/>

World Economic Forum:
Financing for Development Initiative
www.weforum.org/developmentfinance.

United Nations Development Programme (UNDP):
Financing for Development
<http://www.undp.org/ffd/>

The long-term outcome of the 2002 International Conference on Financing for Development in Monterrey, Mexico has been increased development assistance and greater financial support toward the Millennium Development Goals (MDGs).



© UNICEF / Gilles Vauclair



© UN Capital Development Fund / Adam Rogers



Partnerships for
sustainable development
were an important
outcome of the
Johannesburg World
Summit on Sustainable
Development in 2002.

The Commission for Sustainable Development

Partnerships also continue to transform the work of the Commission for Sustainable Development (CSD). Partnerships for sustainable development were an important outcome of the Johannesburg World Summit on Sustainable Development in 2002. Since the Summit, 308 partnerships have been registered with the CSD Secretariat. These partnerships are profiled in an interactive online database that contains information based on voluntary self-reports. The purpose of the CSD Partnerships Database is to facilitate experience and knowledge-sharing on the implementation of sustainable development through partnerships and to assist individual partnership initiatives in their efforts to attract new partners and donors. The Partnerships Database was launched in February 2004. As of 2 May 2005, the database had registered 35,095 visits.

In 2004, in preparation for CSD-12, the CSD Secretariat produced the first Secretary-General's report on partnerships for sustainable development.⁸ The report identified emerging themes and trends within the CSD-registered partnerships using parameters such as geographical scope, thematic focus, resources and implementation mechanisms. In addition, at CSD-12, a Partnerships Fair was incorporated into the official programme of the CSD Sessions to provide a venue for sharing lessons learned, showcasing progress made by existing partnerships, launching new partnerships and networking among existing and potential partners. The CSD-13 Partnerships Fair in 2005 focused on water, sanitation and human settlements, as well as cross-cutting practical issues relevant to all partnerships. It also included a discussion on "The Role of the Private Sector in Partnerships for Sustainable Development".

Various other activities are being undertaken by the Division for Sustainable Development (DSD) of the United Nations Department of Economic and Social Affairs (UNDESA) – which acts as the CSD Secretariat – to increase awareness about the registered partnerships. At the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States in Port-Louis, Mauritius from 10 to 14 January 2005, the Secretariat organized a Programme of Partnerships Activities. In addition, following the success of the Rome Partnerships Forum the Moroccan Ministry of Territory Planning, Water and Environment in cooperation with DSD / UNDESA organized the 2nd International Forum on Partnerships for Sustainable Development: Advancing Implementation on Water and Energy, held in Marrakech, from 21 to 23 March, 2005. DSD / UNDESA provided assistance on substantive aspects of the Forum and prepared background documents. The outcomes of the Forum were presented at CSD-13.

The CSD Secretariat is now working to encourage greater business involvement in registration of partnerships with the Secretariat and more active participation in the Partnerships Fair. In addition, it is also working to create links between CSD Partnerships and other partnerships-related efforts involving business and industry, such as the World Bank Development Marketplace.⁹

United Nations ESCAP Business Advisory Council (BAC) and the Asia-Pacific Business Forum

In 2004, the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) established two new initiatives for increasing cooperation with business, the United Nations ESCAP Business Advisory Council (BAC) and the Asia-Pacific Business Forum. The BAC consists of 21 prominent business leaders from the Asia-Pacific region. The aim is to advise ESCAP in promoting cooperation between the private sector and the United Nations in support of the purposes, policies and activities of the United Nations in the region. The Asia-Pacific Business Forum was initiated to provide a platform for dialogue among business, Governments and civil society on social and economic policy issues and their implications for the region's economies. In 2005, the Forum focused on how the public and private

sectors can work together to improve the climate for doing business as well as the promotion of corporate social responsibility.

The United Nations ICT Task Force

The ICT Task Force is an additional example of how the United Nations has started to engage non-governmental actors in its work.¹⁰ The Task Force was created by the Secretary-General in 2001 to advise the United Nations on ICT for development issues. The initiative intends to lend a truly global dimension to the multitude of efforts to bridge the global digital divide, foster digital opportunity and thus firmly put ICT at the service of development for all.

The ICT Task Force is clearly unique among the various other initiatives in the United Nations that feature business or civil society participation. It is an intergovernmental body in which businesses and NGOs have the same decision-making power as Governments. As a result, it is one of the very few forums in the United Nations where external stakeholders have a full seat at the table.

Since its creation, this multistakeholder body has produced a great deal. For example, it has been instrumental in supporting the efforts to establish common "ICT for development" (ICT 4D) indicators. In addition, the initiative has generally drawn attention to the importance of ICT in the path to the end of poverty and the attainment of the MDGs. As a consequence, it has helped to mobilize new public and private resources to support information and communication technologies ICT-for-development programmes and projects.¹¹

Today the ICT Task Force is widely regarded as a highly effective multistakeholder forum offering an effective space for key leaders in Government, business, civil society and the United Nations to share ideas, concerns and develop collaborative projects together. The Task Force was originally scheduled to last three years, but was extended until the end of 2005, after which it will permanently expire.

The United Nations Fund for International Partnerships

Founded in 1998, the United Nations Fund for International Partnerships (UNFIP) serves as the operational arm of the Secretary-General in the partnership between the United Nations system and the United Nations Foundation (UNF), the public charity responsible for administering Ted Turner's historic gift of US\$1 billion in support of United Nations goals. UNFIP promotes new and innovative partnerships in support of the Millennium Development Goals (MDGs) with a diverse array of public and private sector stakeholders. UNFIP also provides suggestions on strategic ways for corporations and foundations to support the Millennium Development Goals and to mobilize additional resources for the United Nations system.

Since 1998, the UNF/UNFIP partnership has committed US\$637 million for 324 projects implemented by United Nations funds, agencies and programmes in 122 countries in alliance with Governments, NGOs, corporations and other private foundations. The majority of these projects respond to four priority areas: Women and Population, Environment, (including climate change and biodiversity), Children's Health and Peace, Security and Human Rights. Over US\$230 million of co-financing from other partners has been generated in support of these projects and programmes. Through the UNF/UNFIP partnership, various partnerships have also received support, including the Global Reporting Initiative and the Shea Butter Production Initiative.

Taking stock

Despite their obvious diversity, all of these initiatives and projects share a number of common features. For example, stakeholder engagement at the United Nations rarely focuses on just one group. The opening of the United Nations usually means including business as

The ICT Task Force is clearly unique among the various other initiatives in the United Nations that feature business or civil society participation. It is an intergovernmental body in which businesses and NGOs have the same decision-making power as Governments.

The United Nations opens
the door to business and
civil society in order to
capitalize on their
experience, knowledge
and expertise.

well as civil society. Second, stakeholder engagement in intergovernmental processes is usually strategic. By bringing business and civil society to the United Nations in forums such as the Financing for Development process or the UN ICT Task Force, the world organization is not primarily seeking financial support. In most instances, the United Nations includes business and civil society in order to capitalize on their experience, knowledge and expertise. Furthermore, in intergovernmental forums stakeholder engagement is frequently organized through associations in order to make the process more efficient and effective. However, with few exceptions, the involvement of non-governmental actors usually does not mean awarding business and civil society with a vote.

When engaging stakeholders from business and civil society, the United Nations has to balance the need for inclusiveness with the need to ensure practicality and impact. At the end of the day, this entails establishing criteria for stakeholder participation and deciding who can sit at the table and who cannot. This process can raise thorny political issues and the United Nations needs to be careful in ensuring the transparency of such selection processes. In addition, while stakeholder engagement can be useful, it is also important not to elevate it to a dogma. Engaging business and civil society for the sake of engaging them is a waste of scarce resources. The United Nations needs to become more strategic in its outreach efforts, especially in the interest of stakeholders who usually commit significant resources (i.e. time, money, etc.) to such processes.

This report can only illustrate some of the manifold initiatives that have developed across the United Nations system in recent years. This review is neither comprehensive nor can it provide a realistic grasp of the dynamism and optimism that characterize many of these initiatives. These limited illustrations demonstrate that the overall institutional environment for business and civil society engagement is becoming significantly more favourable. Increasingly, the engagement of a variety of stakeholders into United Nations activities is not the exception but the norm. This also has an impact on the development of concrete partnership initiatives that bring together the United Nations with actors from business and civil society.

Raising the partnership performance of the United Nations

Partnerships can
only perform as well
as each individual partner
is able to leverage
its own core competencies
and resources to the table.

As chapter II demonstrated, in addition to opening the intergovernmental process to include the voice and perspective of business and civil society, almost all United Nations organizations have started to engage other stakeholders in concrete, project-level partnerships.

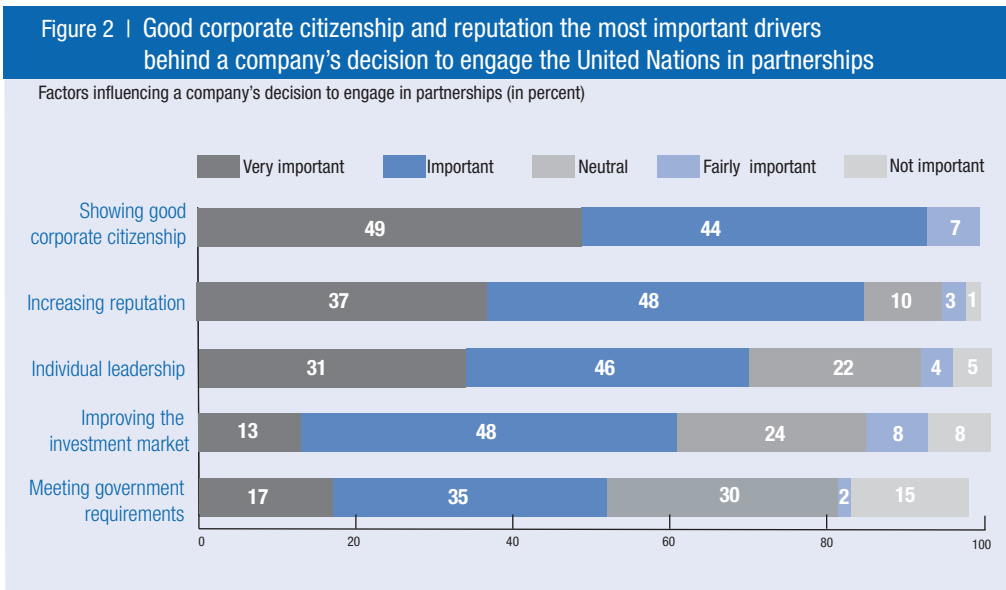
Many of the identified partnership challenges, such as finding agreement on clear goals and objectives, integrating impact assessment mechanisms, or strengthening local ownership, vary with the quality and strength of partnership management.

One major determinant of strong partnership management is the level of “interface capacity” of each partner, including the United Nations.¹² In other words, a partnership can only perform as well as each individual partner is able to leverage its own core competencies and resources to the table.

Interface capacity can be understood as the ability of an organization to work effectively in multistakeholder partnerships. This ability depends on the presence of the skills, policies, mechanisms and tools necessary to facilitate partnership work.¹³ For the United Nations, the integration of such skills, policies, mechanisms and tools should not imply that partnerships have to be relevant to all aspects of United Nations work at all times. As noted previously, partnerships are a *complement* to established work streams.

Building interface capacity is crucial to both fully leverage the potential of existing partnerships and to develop and adopt best practice in future. Good interface capacity requires that partnership work is integrated into the broader management frameworks of the United Nations. Nurturing interface capacity is therefore expressly not a series of fixed activities, such as one-off workshops or trainings. Rather, it is a process of profound institutional adaptation that necessarily involves changing attitudes and deepening understanding about complex issues and how partnerships can help address them.

Good interface capacity will also help the United Nations bring its own core assets and competencies to the fore; in particular it's convening power, its value-based mission, geographical reach and knowledge. The results of a non-representative survey with business participants in the United Nations Global Compact show that the values and the brand of the United Nations are the most important drivers behind a company's decision to engage the world organization in partnerships (see Figure 2 below). In the future, it will be important that



the brand and value proposition of the United Nations is projected together with its operational competencies in more effective ways. Improving interface capacity is one important aspect.

First accomplishments

In recent years, various United Nations organizations have taken impressive first steps in building the necessary interface capacity to facilitate partnership engagement. Despite variation, the results of a survey with United Nations Private Sector Focal Points reveals that there are a number of encouraging developments across the entire United Nations system:

- Now, almost all United Nations organizations have put specific guidelines in place that provide operational and legal guidance for the engagement of business and civil society.¹⁴
- An overwhelming majority of United Nations organizations have people on staff who are experienced in building and managing partnerships. Some United Nations organizations have also started to include partnership management in job descriptions and provide various incentives for staff to reach out to external stakeholders.
- Many United Nations organizations have created websites geared at profiling their partnership activities and facilitating more effective outreach to potential partners.

Nurturing interface capacity involves a process of profound institutional adaptation that necessarily includes changing attitudes and deepening understanding about complex issues and how partnerships can help address them.

Many companies find it highly attractive to work with UNICEF because of its positive brand image and association with children's causes.

In its partners, UNDP is looking for know-how, commitment, a clear business rationale and a financial contribution for project implementation.

Many United Nations organizations have also taken additional steps at building the necessary skills, policies, tools and mechanisms for building partnerships. The United Nations Children's Fund (UNICEF) is probably the most advanced of all United Nations organizations in integrating partnerships into its core activities.¹⁵ UNICEF was one of the first United Nations bodies that started to partner with business and civil society to further its goals. Its mission and unique organizational structure facilitate effective outreach, in particular to business. Many companies find it highly attractive to work with UNICEF because of its positive brand image and association with children's causes. As a consequence, today UNICEF is one of the United Nations organizations with the greatest experience in partnership activities.

UNICEF boasts a highly sophisticated partnership portfolio that offers potential partners a wide range of opportunities to work with the organization, including so-called innovative partnerships, strategic philanthropic initiatives and global, regional and local cause-marketing initiatives, in addition to employee-driven programmes. UNICEF is currently engaged in a variety of partnerships, including multistakeholder initiatives that seek to set common norms and standards for specific children's issues; partnerships that mobilize support for UNICEF's programmes, including financial support, as well as multi-sector initiatives that seek to share and disseminate resources and expertise of partners from business and civil society to advance children's causes. To facilitate this work, UNICEF has put partnership guidelines in place.¹⁶ The organization's partnership work is steered by a small Corporate Alliances team that coordinates outreach to partners. In 2003, UNICEF maintained partnerships with more than 180 companies that each contributed more than US\$100,000 either in-kind or in cash, to partnership projects.

The United Nations Development Programme (UNDP) has also taken remarkable steps in recent years in creating the necessary institutional structures and policies for building partnerships with other stakeholders.¹⁷ As a result, UNDP maintains a broad portfolio of partnership projects which has grown tremendously in recent years and continues to expand. Partnership projects encompass all core areas of UNDP's work, including Democratic Governance, Poverty Reduction, Information and Communications Technologies, HIV/AIDS, Energy and Environment and Crisis Prevention and Recovery.¹⁸ For each of these work areas UNDP has defined a strategy that highlights partnership opportunities, its own core competencies and what kind of partners it is looking for to facilitate such work.¹⁹

UNDP highlights four ways the agency can contribute to partnerships. First, UNDP can offer to serve as a neutral broker, thus building on its long experience in bringing different institutions together, specifically at the country level. Second, the programme can bring credibility to partnership activities, thus building on its reputation as a trustworthy institution. Third, UNDP is able to contribute knowledge and expertise, thus building on the organization's local knowledge and extensive on-the-ground presence in developing countries. Finally, the Development Programme may bring its own financial muscle to bear, thus building on its advantage of being a funding institution. When determining potential business partners, UNDP is looking for know-how, commitment, a clear business rationale and a financial contribution for project implementation.

As is the case for UNICEF and various other United Nations organizations, UNDP's activities with business are structured by guidelines that complement the Secretary-General's Guidelines on Cooperation Between the United Nations and the Business Community, issued in 2000.²⁰ Moreover, UNDP's engagement with business is guided by a policy statement that provides further practical guidance for the organization's partnership work.²¹ The document specifies principles of engagement that UNDP must follow when engaging partners from the business community. For instance, one principle states that partnerships need to reflect national priorities and that they include all relevant stakeholders, including civil society organizations. As such, the document provides valuable guidance for staff as well as external partners. UNDP's partnership work is coordinated by the Division for Business Partnerships at headquarters in New York.

Finally, the past year also saw concrete follow-up to the launch of “Unleashing Entrepreneurship,” a report prepared under the auspices of UNDP in 2004 on behalf of the Commission on the Private Sector and Development. The report was officially launched in over 30 countries, engaging Heads of State, key policy-makers, local governments and private sector players – both foreign and domestic. These launch events were complemented by a series of workshops and new project developments including concrete initiatives undertaken by the United Nations system embodying the recommendations of the report.

The United Nations Industrial Development Organization (UNIDO) is another United Nations organization that has started to integrate partnerships with business and other stakeholders into its main lines of work. At UNIDO, partnerships with business are geared in particular at nurturing the small and medium-sized enterprise (SME) sector in developing countries through the UNIDO Business Partnerships Programme.²² In particular, the Programme focuses on enhancing and facilitating the quality, efficiency and the international competitiveness of SMEs, trying to promote technological and managerial learning, increased domestic resource use in production and increased productive employment and incomes. As such, UNIDO’s partnership activities are closely aligned with the organization’s overall goals and objectives of promoting sustainable industrial development.²³

UNIDO has developed a Partnership Guide that provides detailed background information for its own staff as well as prospective and current partners on how partnerships are developed, what purpose they serve and what principles they should follow. UNIDO sketches out a variety of different roles the organization can play in partnerships (neutral broker at the country level, expert in industrial development, network facilitator). UNIDO’s partnership work is coordinated by a small team located at its headquarters in Vienna. Through its partnerships with business UNIDO has collected valuable experiences in recent years and it has been working systematically to integrate the lessons learned into its partnership practices. Currently, UNIDO is preparing the launch of a comprehensive programme on corporate social responsibility for SMEs in developing countries to further facilitate the proactive integration of small suppliers in national and global value chains. In this context, the programme seeks to support SMEs in becoming environmentally sound and socially responsible companies, while at the same time increasing their overall competitiveness.

Other United Nations bodies such as the United Nations Environment Programme (UNEP) and the United Nations Conference on Trade and Development (UNCTAD) have made similar attempts at fostering the skills, policies, mechanisms and tools necessary for transforming their organization into effective partnership players. At UNEP, the Division of Technology, Industry and Economics (DTIE) plays a key role in shaping the strategy of the organization in reaching out to external stakeholders and in particular to business. Through various voluntary sectoral initiatives with the business community, DTIE helps to promote the development of policies, economic instruments and management instruments for an environmentally sound approach to business.²⁴ Over the years, UNEP has gathered a large amount of experience in helping to promote and manage voluntary sector initiatives and these experiences are captured and disseminated within the organization.

Various United Nations organizations have also helped to launch multistakeholder initiatives designed to address the two key challenges facing partnerships, namely the lack of local ownership and weak management (see chapter II). These “partnerships of partnerships” provide incentives for forging relationships with new partners and building partnering capacity, primarily at the country level.

One example is the Equator Initiative, a UNDP-led partnership that brings together ten organizations – ranging from national Governments and NGOs to research institutions and local community networks. A central focus of the initiative is on partnership building at the local, national and global levels. This partnership building mandate has been advanced through the Equator Prize, an international award to recognize outstanding community efforts to reduce poverty and conserve biodiversity (see Box 14).

At UNIDO, partnerships are geared in particular at nurturing the small and medium-sized enterprise sector in developing countries.

“Partnerships of partnerships” provide incentives for forging relationships with new partners and building partnering capacity, primarily at the country level.





Box 14 | The Equator Initiative (<http://www.undp.org/equatorinitiative/>)

Stressing the importance of local ownership and community empowerment, Mark Malloch Brown, former UNDP Administrator and now the Secretary-General's chef de cabinet, stated: "The MDGs will only be achieved farmer by farmer, family by family and community by community." Siuna, a municipality situated in the midst of Nicaragua's Bosawas Biosphere Reserve, is one of these communities.

In the past, small farmers often became acquainted with sustainable agriculture technologies through outside "experts". These outside specialists frequently underestimated the degree to which small farmers, through experience and knowledge of local circumstances, could contribute to solving problems that the communities face.

Participating in the highly successful Programa Campesino a Campesino (PCaC) initiative, Siuna's farmers have reversed the idea of top-down implementation in the area of sustainable agriculture and taken matters into their own hands. Through PCaC, Siuna's farmers have acquired skill sets that enable them to serve as

effective promoters of sustainable agricultural practices, technologies and reforestation.

Programa Campesino a Campesino serves as one of many powerful examples of the effectiveness of local ownership in the area of sustainable development. Building upon the conviction that economic development can and should be fostered through the conservation and sustainable use of biodiversity, UNDP's Equator Initiative works to raise the profile and build the capacity of such successful local efforts, which often come in the form of multistakeholder partnerships. In 2002, PCaC was chosen as one of 27 finalists for the Equator Initiative's biennial Equator Prize, which is a global award recognizing sustainable community innovation for poverty reduction and biodiversity conservation in the tropics.

The Equator Prize is merely one element in the Equator Initiative's development strategy. Recognizing that policies on poverty reduction and preservation of biodiversity crucially depend upon the knowledge and innovation of local people, the Equator Initiative aims to expand the impact of community initiatives. A core compo-

nent at the heart of the Equator Initiative is the concept of local ownership and interest in local people and their experience.

The Equator Initiative constitutes a partnership that brings together the United Nations, Government, civil society, business and foundations to advance and advocate for the growing number of sustainable communities throughout the tropical developing countries.

In addition to awarding the Equator Prize, the Equator Initiative offers learning exchange grants for grassroots practitioners, engages in eco-entrepreneur mentoring and brings community actors together for peer-to-peer and local-to-global sharing of best practices. It links local sustainable development innovations with policies that affect them – thus creating a community-to-policy connection. Finally, the Equator Initiative fosters research and learning through the creation of scholar and expert networks and also mounts a global public awareness campaign in order to raise the profile of sustainable communities in donor countries.

Participating in the highly successful Programa Campesino a Campesino (PCaC) initiative, farmers from Siuna, Nicaragua have reversed the idea of top-down implementation in the area of sustainable agriculture and taken matters into their own hands.





Box 15 | The Seed Initiative (www.seedinit.org)

The Seed Initiative, supported by UNDP, UNEP and the United Nations Global Compact Office, likewise seeks to foster locally-driven, locally-owned partnerships. An awards scheme, capacity-building activities and a research programme all aim to identify and support nascent, entrepreneurial partnerships and to disseminate their best-practice experience.

“Business as unusual” – Is this an accurate way to describe most public-private partnerships for sustainable development? Many would disagree. Partnerships have, for all their praise in recent years, come under increasing criticism for being a donor-driven phenomenon: guided by the supply side of development policies, rather than being mechanisms for addressing genuine sustainable development needs. So far, it is indeed mostly international partnerships, spanning countries and involving major international organizations, which have stood in the limelight.

It is against this backdrop that the Seed Initiative – Supporting Entrepreneurs for Environment and Development – was launched in 2004. The Seed Initiative is spearheaded by IUCN (World Conservation Union), UNEP, as well as UNDP and supports nascent, locally-driven, entrepreneurial partnerships that bring together a variety of actors: businesses, civil society organizations, public authorities and local communities. The initiative has three components: a biennial awards scheme, capacity-building activities and a research programme.

The first round of the Seed Awards was announced in April 2004. In the following months, more than 260 partnership proposals from 66 countries and representing 1,200 organizations, were received. Over 90 percent of the partnership proposals have their focus in developing countries. The thematic issues

addressed are diverse. Two-thirds of the partnership profiles focus on water, energy, health, agriculture and biodiversity (WEHAB); over half of these are on agriculture. An international selection panel chose twelve of the most inspiring projects to be finalists for the Awards. From these twelve, verified through the local offices of respective Seed partner organizations, an international jury chaired by the Secretary-General of the World Summit on Sustainable Development, Nitin Desai, selected five partnerships to be the 2005 Seed Award recipients. This year’s winners include a Nepalese partnership aimed at harvesting and establishing markets for sea buckthorn plants, a multistakeholder effort to establish Madagascar’s first community-run Marine Protection Area and a partnership to extend access to affordable water in peri-urban areas of Cochabamba, Bolivia.

The Seed Awards are not monetary, but offer a combination of exposure and capacity development services for partnerships. The twelve finalist partnerships are invited to attend knowledge exchange and capacity development workshops. These include training sessions on fundraising strategies, the development of business plans, governance structures and reporting mechanisms. Finalist partnerships are also “showcased” to provide them with opportunities to seek further collaborators, donations and in-kind contributions. The five Seed Award recipi-

ents receive the “full package” of support, which is highly flexible. Often Seed awardees are appointed an experienced partnership broker who performs a needs assessment of the partnership and a targeted support programme is devised. This may include securing the support of the leaders from relevant businesses, public authorities etc. or using the network of Seed partners to leverage additional resources. Support services can also include introductions to public authorities or funders and facilitating further media exposure.

A final component of the Seed Initiative is its research and learning channel. Based on the submissions to the Seed Awards and the experiences gathered in providing services to awardees, the Seed Initiative seeks to stimulate a research programme focused on locally-driven entrepreneurial partnerships. The goal of the programme is to inform policy makers and support the creation and implementation of new locally-driven partnerships.

The Seed Initiative receives support from various sources, including the German Federal Ministry for Environment, the United States Government, the Norwegian Ministry of the Environment, Defra, U.K., the Netherlands Ministry for the Environment, Swiss Re and the United Nations Global Compact.

For more information please visit the Seed Initiative website at www.seedinit.org.

(Above) Andavadoaka, Madagascar: as well as introducing the Marine Protected Area, the partnership is working with the local communities to conduct socio-economic surveys, capture traditional ecological knowledge and provide education to children in isolated communities. (Left) One 2005 Seed Award recipient is a locally-driven, multistakeholder partnership that provides a poor suburban community in Cochabamba, Bolivia, with access to low-cost potable water and sanitation.

Local offices need
to be in the driver's seat,
identifying partnership
priorities, helping to
bring other local
stakeholders aboard,
and managing the
implementation process.

The Growing Sustainable
Business Initiative
constitutes a support
framework for businesses
that seek to develop and
implement commercially
viable projects within
their core business
or value chain.

These are only a few examples of the many efforts by organizations in the United Nations system to build the skills, policies, mechanisms and tools necessary for transforming their organization into effective partnership players. As indicated earlier, the level and extent to which United Nations organizations have made progress on this front varies, among other things, on the suitability of the partnership paradigm to missions and work profiles of individual United Nations organizations, the availability of resources to fund such a transformation process and the commitment of senior management in pushing the process forward and providing it with high-level support.

Decentralizing partnerships

Another significant but more recent trend across the United Nations system is the increasing decentralization of partnership work to regional and country offices. As noted in chapter II, the degree of local ownership in partnerships depends to a large extent on the ability of individual partners, including the United Nations, to ensure participation of their own local offices in the conceptualization and implementation phases of partnerships. Local offices need to be in the driver's seat, identifying partnership priorities, helping to bring other local stakeholders aboard and managing the implementation process. As such, the degree of local ownership is, to some extent, a function of building partnership interface capacity at the country-office level.

In recent years, various United Nations organizations have started programmes designed to build capacity at their country and regional offices with the goal of fostering bottom-up partnership growth and management. A key programme initiated by the United Nations Global Compact and now being implemented by UNDP is the Growing Sustainable Business Initiative (GSB). Recognizing that business is the main force behind economic growth, GSB was created to contribute to poverty reduction by way of brokering multistakeholder partnerships that facilitate business-led enterprise solutions to poverty reduction at the country office level. Rooted in the values promoted by the United Nations Global Compact, the GSB constitutes a support framework for businesses that seek to develop and implement commercially viable projects within their core business or value chain. The partnerships that arise out of the GSB framework thus serve two purposes: they help reduce investment risk and enable specific pro-poor, commercially viable business investments in developing countries.

GSB fills an important niche between the need to serve both consumers in developing countries and the interests of private sector enterprises looking to invest in developing country markets. By assisting in the creation of business-oriented partnerships and by collecting and disseminating data on innovative sustainable business projects, GSB operates and delivers on three interconnected levels: as a full-time broker, a research platform and a technical assistance platform.

In each of the five countries in which GSB initiatives are currently underway, a full-time GSB broker acts as convener and intermediary for the relevant stakeholders. Employing UNDP's impartiality, the GSB broker assists in identifying, developing and supporting sustainable business investment projects and further helps to facilitate negotiations between business, Government, civil society, potential donors and development partners.

In order to foster research in the area of sustainable business, GSB further provides co-funding for socio-economic and feasibility studies. The studies, which are intended to generate environmental and social impact assessments as well as socio-economic data, serve to support specific business plans. As the studies are sponsored in part by the public sector, the research findings are deliberately publicized to increase learning among all interested stakeholders.

Finally, GSB offers funds for the provision of technical assistance and capacity building in the context of a specific investment. The described assistance is geared to support local entrepreneurs, local government and local NGOs that are expected to be involved in a GSB

investment project, thus acknowledging the core importance of local ownership in the development and implementation process of sustainable business projects.

As of June 2005, GSB was active in Tanzania, Madagascar, Ethiopia, Kenya and Zambia. At the global level, the GSB initiative is being implemented by UNDP's Division for Business Partnerships. The initiative is supported by two special advisers. Five national GSB brokers coordinate the initiative at the country level. It has now amassed a portfolio of over 15 leading global businesses and is expanding in Africa, Asia and Latin America.

The GSB framework meets the key criteria that have helped other partnership initiatives succeed in the following ways: the broad involvement of sustainable business specialists from all three sectors; the existence of a well-designed and carefully balanced management scheme; a conceptual focus on research and impact assessment; and the inclusion and targeted support of local actors.

The United Nations has also taken first steps to train staff at the country and regional levels. Since 1998, the United Nations System Staff College (UNSSC) has developed and implemented various partnership training initiatives that have built the capacity of United Nations staff to engage in partnerships with business and civil society in country and regional offices. In addition, the UNDP Learning Resources Centre in collaboration with the Development Group Office (DGO) and the UNSSC facilitate a Resident Coordinator/Resident Representative (RC/RR) Induction Workshop with a session focused on 'Strategic Partnerships'. The aim of this session is to enhance awareness on key issues relating to partnership with the private sector and civil society. Various UNDP regional bureaux have also taken steps to provide partnership training to staff members. For example, in October 2004, UNDP's Regional Bureau for Europe and the Commonwealth of Independent States (RBEC) held a three-day workshop for the Business Focal Points from UNDP country offices in Central Europe, Central Asia and the Balkans. The workshop had the objective of strengthening the strategic approach of country offices to partnerships with business. A survey of Private Sector Focal Points and Resident Representatives conducted prior to the meeting gave an overview of country office engagement with the private sector and perceived challenges to this work. Two obstacles in particular were stressed here: Within country offices, there is a need for greater capacity building regarding work with the private sector. Externally, country offices face the problem of attracting business cooperation in a region in which the culture of entrepreneurship is relatively new.

At the workshop, the Focal Points were given the opportunity to present their ongoing partnerships with business in further detail and to exchange experiences and best practice. The workshop had a strong training component, which aimed at assisting the Business Focal Points in development of a private sector strategy for their country office. Participants were guided in developing country office strategy actions plans. Only one country office, Bosnia, had such a plan in place prior to the 2004 workshop. These action plans, circulated internally amongst the Focal Points, map the individual UNDP country office's three, six and twelve-month objectives and activities for developing partnership with business.

There are various other ongoing initiatives across the United Nations system designed to increase the capacity in country and regional offices to build partnerships. However, it appears that many of these efforts are by and large, still in their infancy.

Challenges along the way

United Nations organizations are also confronted with a number of challenges in the process of mainstreaming partnerships into their work. These challenges frequently undermine the effectiveness of the United Nations to work in partnership with stakeholders from business and civil society and occasionally contribute to weak partnership management.

Within country offices,
there is a need for
greater capacity building
regarding work with
the private sector.

The institutional reality
in many United Nations
organizations is still
one in which
partnership work
often remains at the
institutional fringes.

Many United Nations
organizations have not
supported their rhetorical
commitment to partnerships
with adequate resources.

Some United Nations organizations have taken initial steps to integrate partnership work into their operations. However, the reality in many United Nations organizations is still one in which partnership work often remains at the institutional fringes, conducted parallel to, but disconnected from, the main lines of work.²⁵ While some United Nations organizations have created partnership units of dedicated staff working with great commitment on projects, there are few cases where such work is integrated into mainstream operations. As one United Nations staff member noted: "Many of my colleagues are interested and supportive of our partnership work. But I need to be able to provide a value-added to them for their work. Otherwise they are simply not interested.... However, in order for partnerships to contribute to their work, we would need to get involved at a much earlier stage, during project planning. At this point, in many cases we get involved too late. Rather than thinking about how partnerships can provide a value-added to their work many look to them to bring in finance. That usually does not work very well." Another staff member noted: "I believe my biggest challenge is to bring the partnership idea to the rest of the organization. Partnerships will have no impact as long as there is no integration in our main operations." In short, partnerships often remain separate from regular project management in many United Nations organizations.

Another institutional reality is that some United Nations organizations have not supported their rhetorical commitment to partnerships with adequate resources (i.e. finances, staff, etc.). The results of the survey with United Nations Private Sector Focal Points reveal that hardly any organization leverages resources specific to its partnership activities. In some cases, partnership work has been added to the work programme of individual staff members already struggling to keep up with their portfolios. This discrepancy between rhetoric and action may be a result of the general resource scarcity with which many United Nations organizations are confronted. However, it undermines the potential of partnerships to effectively contribute to the work of the United Nations and it frustrates those partners in business and civil society with a genuine interest in working with the Organization.

In some cases, the lack of mainstreaming and the resulting practical impediments to more consistent partnership engagement appear to be the consequence of a more fundamental strategic problem. For some United Nations organizations it remains unclear just how partnerships are supposed to contribute to mission accomplishment. While guidelines may exist that govern involvement in partnerships from a strictly legal standpoint, there is frequently no strategic framework in place that stipulate criteria for engagement. In other words, some United Nations organizations have not yet developed strategic frameworks for selectivity that would combine functional with performance-based criteria. As a result, partnership engagement sometimes remains ad-hoc and is frequently supply-driven. As one United Nations official said: "I believe our organization has failed to develop a coherent partnership strategy. There are good intentions, and there are some good projects. But so far, I do not see that we have been able to develop a consistent strategy to leverage partnerships to our main mission."

One symptom of this lack of a strategic framework is a narrow understanding of partnerships as new fundraising mechanisms. In the past, many in the United Nations have enthusiastically pushed for partnerships with business, expecting that companies would play the role of paymaster without being actively involved in project design and implementation. In the case of some (primarily philanthropic), activities business may have been happy to go along. However, large-scale business engagement in partnerships cannot be reduced to providing funding. In order to be sustainable, partnership activities need to be aligned with core business interests of companies and need to draw on their core competencies. Also, in the words of a recent report issued by the Shell Foundation, partnerships need to offer the right "risk-return profile" for business.²⁶

There are various areas where the lack of adequate institutional mainstreaming has very practical ramifications for the performance of the United Nations to work in partnership with others and thereby ultimately on the strength of management in individual partnerships:

Managing the legal process

As noted above, almost all United Nations organizations have introduced guidelines for their engagement with business and civil society that complement the general “Guidelines on Cooperation between the United Nations and the Business Community,” issued by the Secretary-General in 2000. These guidelines have greatly contributed to fostering legal and operational clarity on partnership activities. Yet, many within the United Nations emphasize that there remains a degree of confusion with regard to the consistent application of these guidelines. The most frequent criticism raised in this context is that legal hurdles contribute to time lags in the implementation of partnerships. For example, one staff member noted: “I know it is important to have rules and guidelines in place. And the United Nations needs to make sure it does not go down a slippery road in partnerships. But we need to find ways to simplify and speed up the legal process. It takes too long, it is cumbersome and it distracts people from the real challenges we face.” In the survey of United Nations Private Sector Focal Points, the navigation of legal issues and the resulting time lags were the most frequently noted challenges.

In light of this issue, one ought to recognize that partnerships often raise involved legal questions for the United Nations. Partnerships usually entail the use of the United Nations name and emblem. Since the United Nations “brand name” is one of the most valuable assets of the Organization, it must be managed in an appropriate fashion. Moreover, the United Nations frequently builds partnerships with companies that serve as authorized contractors in different contexts. Partnership and procurement constitute separate issue areas and appropriate firewalls need to be built and maintained. Finally, partnerships commonly raise issues of liability and indemnity that are difficult to resolve.

Finding suitable partners

Determining which businesses are suitable partners for the United Nations is an important issue. On this matter, there are universal principles in place for the entire United Nations system, set out in the Guidelines on Cooperation between the United Nations and the Business Community.²⁷ However, the application of these selection criteria varies across organizations. Some United Nations bodies use third-party certifiers, others conduct separate case-by-case screenings. Overall, there is a need for more consistency and greater transparency regarding partner selection. Some United Nations organizations do not have systematic screening processes in place. Others use third-party certifiers to “screen” potential partners.

Elaborate screening processes are imperative as partnerships with business become more common in the work of individual organizations. It is critical that the United Nations manage its most valuable assets: its reputation and its legitimacy. Yet, being overly cautious has its drawbacks as well. One United Nations official noted: “All these screening requirements and indicators simply bogged us down. I had to commit more than half of my staff to engage in company screening. At the same time, our indicators remain open to interpretation. There simply is no black and white in all of this. We need to find a pragmatic way of dealing with this challenge, without sacrificing our good name.” Indeed, the United Nations needs to find a way to claim the middle ground in this context, developing cost-effective and swift means to apply the selection principles laid down in the guidelines. As the United Nations Global Compact initiative and participant base are growing, membership in the United Nations Global Compact could serve as a useful indicator of a company’s commitment to United Nations values.

Guidelines have greatly contributed to fostering legal and operational clarity on partnership activities but also often contribute to time lags in the implementation of partnerships.

There is a need for more consistency and greater transparency regarding partner selection at the United Nations.

A comparative review of partnerships forms the basis for higher-level strategy development, appropriate resource allocation and learning.

Greater efforts should be made to further promote partnerships at the country level.

Training United Nations staff

Another important aspect of building interface capacity is more systematic partnership training for staff that enables them to work more effectively with business. Since 1998, the United Nations System Staff College has developed and implemented various partnership-training initiatives that have built the capacity of United Nations staff to engage in partnerships with business and civil society, particularly at the country level. However, much of this work has been of a pilot nature and requires additional resources in order to be sufficiently scaled-up. In addition, the UNDP Learning Resources Centre in collaboration with the Development Group Office (DGO) and the United Nations System Staff College (UNSSC) facilitate a Resident Coordinator/ Resident Representative (RC/RR) Induction Workshop with a session focused on 'Strategic Partnerships'. The aim of this session is to enhance awareness on key issues relating to partnership with the private sector and civil society. Furthermore, various UNDP regional bureaus have also taken steps to provide partnership training to staff, with the aim to strengthen the strategic approach of country offices to partnership with business. Overall, despite progress, greater efforts should be made to further mainstream partnership training and capacity building into well-established and resourced programmes within individual United Nations organizations.

Assessing impact

Some United Nations organizations, such as the Food and Agricultural Organization (FAO) have engaged in a wholesale impact assessment and portfolio review of their partnership engagements.²⁸ Most United Nations organizations so far have not engaged in systematic attempts to evaluate the impact of the partnerships in which they are engaged. Though individual partnership projects may be assessed as part of standard evaluation practices, these evaluations are frequently not comparative. Yet for the United Nations, impact assessment is not only important for accountability purposes. A comparative review of partnerships also forms the basis for higher-level strategy development, appropriate resource allocation and learning.

Raising capacity

As noted above, various other United Nations organizations have launched efforts geared at increasing the capacity at the country level to facilitate partnerships with other stakeholders. Nonetheless, there remain significant challenges in building sufficient capacity at country and regional offices. Country and regional offices usually lack the necessary resources and most importantly, the staff, to develop partnership opportunities.

Greater efforts should be made to further promote partnerships at the country level. The United Nations should work to mainstream partnership training and capacity building into well-established and resourced programmes strengthening the Resident Coordinator System. Since 1998, the United Nations System Staff College has developed and implemented various partnership training initiatives for United Nations staff. Much of this work, however, has been of a pilot nature and has yet to be scaled up due to insufficient resources. such as s

Finally, quite frequently, there appears to be inertia, both on an individual and institutional level, regarding the engagement of business in country offices. Whether or not country offices engage in partnerships and build capacity to do so depends to a large extent on the leadership extended by the Resident Coordinators. In the past, some have been more receptive than others to experiment with partnerships.

Learning at the United Nations system level

This leads to a final important point, namely the great and unrealized, potential for learning across the United Nations system. Such system-wide learning could greatly enhance the ability of the individual United Nations organizations to contribute to good partnership management. For example, one staff member said: "It is a shame. I know the [United Nations] system is big. But is it really necessary that the left hand does not know what the right hand is doing? We all share the same agenda. We can benefit from each other's experiences and knowledge. This does not require a lot of effort. The investment we have to make in facilitating such an exchange would be easily offset by the gains that we can expect to generate."

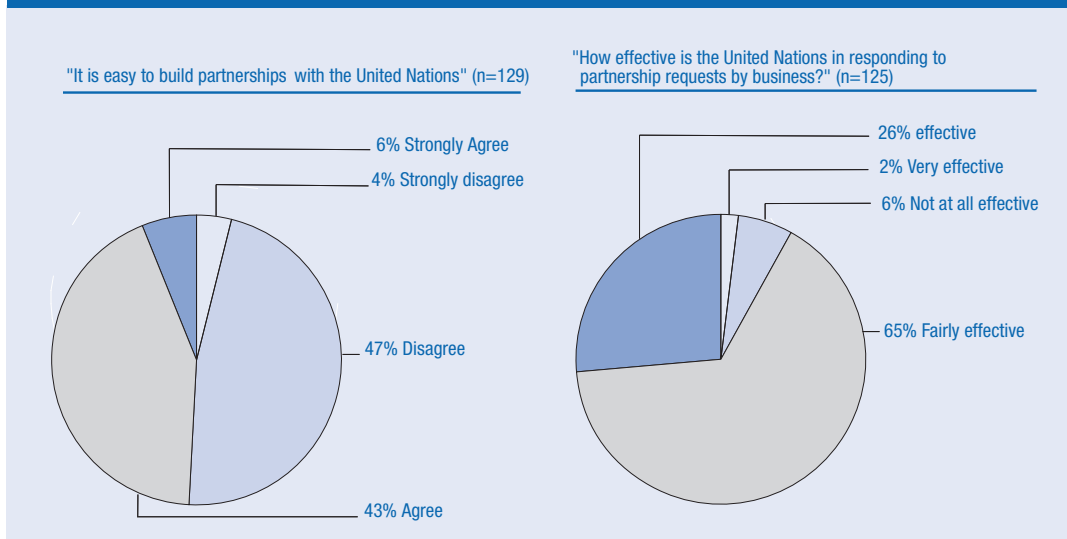
In recent years, the United Nations Global Compact Office has been instrumental in facilitating cross-fertilization and knowledge exchange on partnerships in the United Nations. Various United Nations Private Sector Focal Points meetings have been held since the late 1990s. The most recent meeting took place in May 2005 and brought together more than 80 United Nations staff members. However, a survey of United Nations staff suggests that additional opportunities for learning on partnerships are necessary. Potential system-wide catalysts for learning about partnerships and for mainstreaming the partnership agenda, such as the United Nations System Chief Executives Board (CEB) for Coordination and the UNSSC's United Nations Learning Community of human resource managers, have not been fully mobilized.

A survey of United Nations staff suggests that additional opportunities for learning on partnerships are necessary.

The United Nations as a partnership player – An outside-in perspective

As the two previous sections have emphasized, the United Nations faces a number of critical challenges in transforming itself into an effective partnership organization, notably in addressing shortcomings in strong management and local ownership of partnerships. The good news is that many in the United Nations are aware of these challenges and there appears to be mounting momentum to address them.

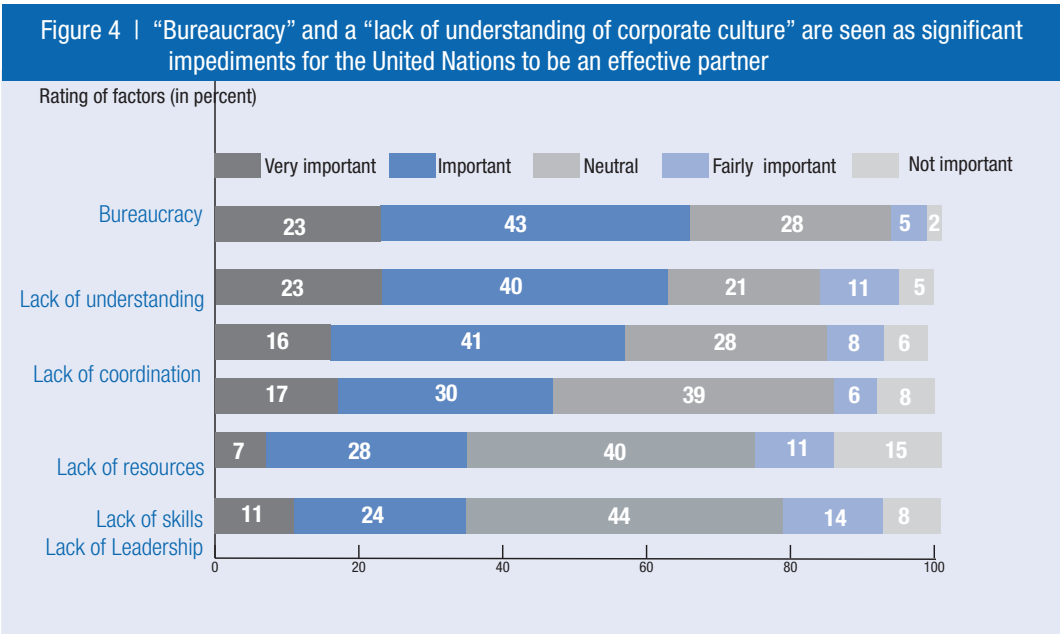
Figure 3 | Almost half of the companies surveyed think it is easy to build partnerships with the United Nations; almost all view the United Nations as at least "fairly effective" or better in responding to partnership requests.



Up to this point, this chapter has relied exclusively on the perspectives and opinions of United Nations insiders to assess the challenges the United Nations faces in building interface capacity for partnership engagement. Focusing closely on insider perspectives provides a good starting point for further debate. It is useful, however, to round it off by providing an outside-in analysis of these issues. To do so, this report relies on a survey conducted with corporate participants in the United Nations Global Compact, as well as extensive follow-up interviews with business representatives.²⁹ In the survey and interviews, business representatives were asked several questions about their experiences and perspective on the performance of the United Nations in partnerships. Some of the findings are reported here.³⁰

By and large, many of the findings highlighted above were confirmed by respondents and interviewees. Almost half of the respondents surveyed expressed the view that it is easy to build partnerships with the United Nations (see Figure 3).

“Bureaucracy” and a “lack of understanding of corporate culture” are seen as significant impediments for the United Nations to be an effective partner. (see Figure 4).



In follow-up interviews, the specific bureaucratic hurdle many business representatives pointed to is that of drawing up legal agreements between the United Nations and its partners. One interviewee put it starkly: “The toughest nut to crack is the legal side. The United Nations rules are complex and in many instances unnecessarily burdensome. I continue to be amazed by these processes. I sometimes wonder if the United Nations folks themselves understand their own rules.” Another business representative provided a more balanced assessment: “I think I understand the context and constraints within which the United Nations is operating. And I also know that the manifold legal issues are not just about red tape, but usually reflect a wide variety of concerns. The United Nations needs to protect its name, its brand. At the same time, there are many rules that simply do not make any sense. The United Nations faces a big job in removing these obstacles.”

At the same time, almost two thirds of all respondents feel that United Nations staff possess the necessary skills to get the job done. In fact, in follow-up interviews, most interviewees offered nothing but praise for their counterparts within the United Nations. Among the business representatives interviewed for this study, there was a real appreciation of the dedication with which United Nations staff, both at the country and headquarters levels, work to accomplish their mission.

Many of the interviewees from the business community also pointed out the challenges of turning global agreements into local action. This confirms the assessment of United Nations staff of the difficulty of bringing local ownership to globally driven processes and the lack of capacity in many United Nations country offices to do so. One business representative remarked: "We worked out an agreement with the UN. That was difficult enough because of all the legal and administrative hurdles that we needed to overcome. But then the real gap emerged. It took us way too long to turn the agreement into something practical at the country level. The United Nations folks simply seemed unable to get their country colleagues excited and up to speed on our programme."

The survey also confirms the impression shared by many within the United Nations that there is little coordination and in some cases there is competition between different United Nations organizations. As shown above, fifty-seven percent of all respondents believe that a lack of internal coordination in the United Nations is an important or very important factor undermining the effectiveness of the United Nations as a partner. Also, seventy-eight percent of all business respondents believe that it is important to create a central access point for business engagement at the United Nations.

At the same time,
almost two thirds of all
respondents feel that
United Nations staff
possess the necessary
skills to get the job done.

Conclusion

This chapter has highlighted the accomplishments the United Nations has made, as well as the challenges it continues to face in engaging business in its work. The chapter has also profiled the achievements of the United Nations in its efforts to successfully leverage the expertise and knowledge of business and civil society to its intergovernmental processes. It also showcased various accomplishments across the United Nations system in building the skills, policies, tools and mechanisms for engaging other stakeholders in concrete project work. Finally, it identified the challenges many United Nations organizations are confronted with in integrating partnerships into their main work activities.

As noted at the outset, this is a report about the role and performance of the United Nations in partnerships. Its partners in business and civil society face similar challenges in their attempts to work effectively in partnerships. This is not meant to absolve the United Nations of responsibility but to put the partnership agenda into proper context and perspective. The final chapter of this report will offer a number of recommendations on how to address the remaining challenges and how to transform the United Nations into a more effective partnership player.

Endnotes

- ¹ The most recent example is the generous assistance provided by the consulting firm PricewaterhouseCoopers to the United Nations, with the goal of helping the organization manage to put effective and transparent financial management systems in place in order to distribute the aid money that has been provided to the tsunami-affected regions in South East Asia.
- ² On the effectiveness of the United Nations Global Compact in accomplishing that goal see United Nations Global Compact Office (2004), *Embedding Human Rights in Business Practice: A Joint Publication of the United Nations Global Compact and the Office of the United Nations High Commissioner for Human Rights*. New York: United Nations; Claude Fussler, Aron Cramer and Sebastian van der Vegt, eds. (2004). *Raising the Bar: Creating Value with the United Nations Global Compact*. Sheffield: Greenleaf. See also Sustainability (commissioned by the United Nations Global Compact Office) (2004). "Gearing Up: From Corporate Responsibility to Good Governance and Scalable Solutions." London: Sustainability; and United Nations Global Compact (2005). "Enabling Economies of Peace. Public Policy for Conflict-Sensitive Business." New York: United Nations).
- ³ One notable exception is the United Nations ICT Task Force, discussed below.
- ⁴ Ken Conca (1995). "Greening the United Nations: Environmental Organizations and the UN System," *Third World Quarterly* vol. 16, no. 3.
- ⁵ For a comprehensive review of civil society engagement, see United Nations (2003). "UN System and Civil Society - an Inventory and Analysis of Practices. Background Paper for the Secretary-General's Panel of Eminent Persons on United Nations Relations with Civil Society." New York: United Nations. See also Ann Marie Clark, Elisabeth Friedman and Kathryn Hochstetler (1998). "The Sovereign Limits of Global Civil Society: A Comparison of NGO Participation in UN World Conferences on the Environment, Human Rights and Women," *World Politics*, vol. 51, no.2.
- ⁶ For a comprehensive history and review of United Nations-business engagement see Sandrine Tesner and Georg Kell (2000). *The United Nations and Business: A Partnership Recovered*. New York: St. Martin's Press.
- ⁷ For more information about these workshops please refer to the website of the United Nations Financing for Development Office at <http://www.un.org/esa/ffd/09multi-stake-consult-1.htm>.
- ⁸ See Economic and Social Council United Nations, Commission for Sustainable Development (2004). "Partnerships for Sustainable Development. Report of the Secretary-General. E.CN.17/2004/16."
- ⁹ Please see <http://www.developmentmarketplace.org> for more information.
- ¹⁰ For more information on the UN ICT Task Force please refer to their website at <http://www.unicttaskforce.org/>.
- ¹¹ For a more comprehensive review of accomplishments please refer to the Third Annual Report of the Information and Communication Technologies Task Force available at <http://www.unicttaskforce.org/>.
- ¹² In this context, the "weakest link" logic applies: The quality of overall partnership management is determined by the partner with the least well developed interface capabilities. This is because partnerships are not coalitions of functionally equivalent actors. Instead, partners bring different resources to the table in a partnership, all of which are important for partnership success.
- ¹³ To be sure, the quality of "interface capacity" varies considerably across the various United Nations offices, funds, programmes and agencies. This report cannot reasonably provide a detailed account of the accomplishments and remaining challenges in individual United Nations organizations. Instead, it outlines the hurdles to partnership work most frequently identified by United Nations staff in the survey and interviews. These hurdles provide a first answer to the question of *why* we encounter the management challenges identified above.
- ¹⁴ For a list of these guidelines please refer to the list of references.
- ¹⁵ For an overview of UNICEF's partnership activities please see their website at http://www.unicef.org/corporate_partners/index_24525.html.
- ¹⁶ See United Nations International Children's Fund (2001). "UNICEF Guidelines and Manual for Working with the Business Community. Identifying the Best Allies. Developing the Best Alliance." New York: UNICEF. (Also available online at [http://www.unicef.org/videoaudio/PDFs/Summaryguidelines\(1\).doc](http://www.unicef.org/videoaudio/PDFs/Summaryguidelines(1).doc)).

¹⁷For an overview of UNDP's partnership activities please see their website at <http://www.undp.org/business/>.

¹⁸Some recent case studies of UNDP's partnership work are profiled in United Nations Development Programme, "UNDP and the Private Sector. Building Partnerships for Development." (op. cit.).

¹⁹UNDP has developed so-called "Knowledge Packs" that provide background on UNDP's work and that highlight partnership opportunities. These Knowledge Packs exist in draft format and will eventually be utilized to facilitate outreach to potential partners in business.

²⁰See United Nations Development Programme (2001). "UNDP Guidelines for Working with the Business Sector." New York: UNDP. Also available online at http://www.undp.org/business/New%20Guidelines_final071201.doc.

²¹See United Nations Development Programme (2001). "UNDP Policy Statement on Working with the Business Sector." New York: UNDP. Also available online at http://www.undp.org/business/UNDP_pspolicy_72001_final.doc.

²²For an overview of UNIDO's partnership activities please see their website at <http://www.unido.org/doc/4364>.

²³See United Nations Industrial Development Organization (2004). "Operationalizing UNIDO's Corporate Strategy. Services and Priorities for the Medium Term. 2004-2007." Vienna: UNIDO.

²⁴For more information about UNEP's work in this area please refer to their website at <http://www.unep.fr/en/branches/partnerships.htm> and <http://www.unep.fr/outreach/home.htm>.

²⁵This is not a problem exclusive to the United Nations, but in many cases also applies to business and civil society.

²⁶Shell Foundation (2005). "Enterprise Solutions to Poverty: Opportunities and Challenges for the International Development Community and Big Business." London: Shell Foundation.

²⁷See "Guidelines on Cooperation between the United Nations and the Business Community" (Art. 12) (op. cit.), in many cases complemented by more specific regulations in individual United Nations organizations.

²⁸For the goals and objectives of this review, as well as more detailed terms of reference see Food and Agricultural Organization, "Revised Draft Approach Paper – Evaluation of the Cross-Organizational Strategy – Communicating FAO's Messages." (op. cit.) and Food and Agricultural Organization, "Terms of Reference for an Evaluation of FAO's Cross-Organizational Strategy Broadening Partnerships and Alliances." (op. cit.) The exercise was due to be completed in June 2005.

²⁹This is not to suggest that a perspective from civil society is not as important as a perspective from business. However, due to resource constraints, preparatory work for this report could only include a survey with United Nations Global Compact business participants.

³⁰It is important to put these responses from business in their proper context. It is not clear that all those who have completed the survey or who responded to questions during interviews really understand the context within which the United Nations operates. Also, there appears to be a general tendency to characterize the United Nations as a bureaucracy that is inherently inefficient. At least some of the interviewees, when asked, had trouble backing up such general statements with concrete examples or other evidence. Finally, this criticism of the United Nations should not be taken to suggest that business itself is without fault. In fact, various interviewees from within the business community itself as well as from the United Nations made frequent reference to the fact that business faces some of the same challenges in terms of mainstreaming and developing partnership interface capacity.



chapter 4

From output to impact: Action agenda for the United Nations

In his Millennium Report published in 2000, Secretary-General Kofi Annan noted: "Today, global affairs are no longer the exclusive province of foreign ministries, nor are States the sole source of solutions for our small planet's many problems. Many diverse and increasingly influential non-governmental actors have joined with national decision makers to improvise new forms of global governance." As a consequence, the Secretary-General concluded that the United Nations needs to become more effective at reaching out to business and civil society in order to develop a more systematic and focused approach for the organization to forging new "coalitions for change".¹

As the previous chapters have shown, a great deal has been accomplished in these last five years. The United Nations has embarked on a path of transformation, opening itself to new partnerships with business and civil society in support of United Nations goals and starting to put the necessary skills, policies, mechanisms and tools in place to enhance its interface capacity.

As a result, most United Nations funds, programmes and agencies have come a long way to turn their organizations into more effective partnership players. It has become fashionable in recent years to dismiss the United Nations as an unwieldy, bureaucratic institution resistant to innovation and change. However, in the context of partnerships, the innovative capacity and the degree of experimentation and organizational change that can be observed at the United Nations tell a different story. Building partnerships with business and civil society has become a catalyst for reform and institutional innovation across the entire United Nations system.

Equally significant, the United Nations is not only becoming more focused and systematic in its engagement of business and civil society in concrete partnership projects. The United Nations has also started to successfully open up its intergovernmental processes to include the perspectives of non-governmental actors. This is starting to transform the nature of global public policy-making, away from the old "club model" of intergovernmental diplomacy towards more open and inclusive formats that help to leverage the perspectives and resources of business and civil society to the process.

In spite of these notable accomplishments the report identifies a number of challenges and areas where the United Nations needs to take further action. Partnerships with business and civil society can make a great contribution towards supporting the purposes and principles of the United Nations, as set out in the Charter and the Millennium Development Goals. Giving business and civil society a voice in the intergovernmental process can be enriching and add to the likelihood of impact and sustained change. Nonetheless, partnerships require far more than a rhetorical commitment. In particular they require strong management and local ownership to produce sustainable impact that furthers the goals of the United Nations.

The United Nations needs to remain focused on its efforts to improve the interface capacity of the organization. Inviting business and civil society to the table is only the first step. The United Nations needs to be prepared to engage its partners in an impact-oriented

fashion while upholding the independence of the Organization and without compromising on goals and mission. In order to do that, the United Nations should ensure that it leverages its core competencies to this process, including its legitimacy and value-based mission.

As noted above, some progress has been made, but much more needs to be done. Specific actions are required to scale up successful experiments and allow cooperative engagements with non-governmental actors to be a stronger force for institutional change. In particular, the United Nations needs to take further action on four fronts:

- (1) Fostering internal skills, policies, mechanisms and tools for partnership work.
- (2) Supporting local ownership by building capacity at country and regional levels.
- (3) Engaging in systematic impact assessment to build the foundation for “smart selectivity”.
- (4) Investing in system-wide learning and coordination of partnership work.

It would be a mistake to advocate one-size-fits-all solutions. Each United Nations fund, agency and programme should develop its own strategy and approach to leverage the potential of partnerships. Still, there are a number of concrete steps the United Nations system can take to build the necessary conducive cultural and institutional environment for its partnerships with business and civil society.²

Fostering internal skills, policies, mechanisms and tools for partnership work

There are three areas in which action needs to be taken in order to enhance capacity:

Action item 1: Facilitate more systematic training

Providing staff with the opportunity of continual training in the area of partnerships is necessary to make a contribution to stronger partnership management. Training should not merely concentrate on “soft skills” such as stakeholder engagement and partnership brokering. It is equally important to provide staff with “hard skills”, including tools to manage the legal process, to manage risks and to measure impact.

Various United Nations organizations have started to provide such training to staff. These efforts need to be scaled up. Partnership training should be mainstreamed in existing and resourced training programmes for United Nations staff. The work of the United Nations System Staff College and the UNDP Learning Resources Centre should be continued and expanded. Also, where possible, the business community could be engaged in improving the skills of United Nations staff in building partnerships. In order to develop a better understanding of corporate culture, some United Nations organizations feature staff exchange programmes on a project-specific basis. Such programmes have proven to be beneficial for enhancing the skills of staff and bringing business expertise to the United Nations.

In addition, more resources should be allocated to sending staff to external training courses. In recent years, various public and private universities and research institutions have started to offer training courses for staff from the public, private and not-for-profit sectors geared at enhancing skills and capabilities to understand and build partnerships. These trainings have proven to be particularly useful for United Nations staff, since their multi-sectoral setup allows them to learn from colleagues from other sectors.

Action item 2: Streamline legal proceedings

Complex and time-consuming legal proceedings in the United Nations were highlighted as one impediment to establishing partnerships. While such proceedings are critical for protecting the United Nations brand, reputation and credibility, they should not be so time-consuming as to stifle the establishment of new partnerships. In interviews, many United Nations staff members argued that there exists a gap between what senior management says with regard to the willingness and capacity of the United Nations to work with external stakeholders and the resources, recognition and incentives provided to staff performing these functions. Although much has been accomplished already, there is an urgent need to further advance institutional reform to close this gap. Existing institutional incentive structures that emphasize avoiding risks and safeguarding the status quo need to be adapted to better support partnerships. A task force of United Nations legal department personnel, Private Sector Focal Points and external stakeholders (from business and civil society) should be created to explore methods for simplifying legal requirements for partnerships and streamlining them across agencies in order to speed-up the partnership creation process.

Action item 3: Improve partner selection processes

Various United Nations organizations have instituted detailed due diligence processes for potential partners, sometimes using third-party service providers, in order to comply with the guidelines issued by the Secretary-General and their own internal regulations. Smaller United Nations organizations find it difficult to implement such mechanisms, usually due to a lack of resources. This problem will be exacerbated once country offices become more active drivers of new partnerships. Possibilities for cost-effective United Nations system-wide approaches should be explored in order to facilitate a consistent and transparent application of United Nations selection criteria. In addition, partners should also be encouraged to demonstrate their commitment to responsible business practices through participation in the United Nations Global Compact and adherence to its principles.

Supporting local ownership by building capacity at country and regional levels

Some United Nations organizations and particularly UNDP as the administrator of the Resident Coordinator System of the United Nations, have made some efforts to build capacity at country and regional offices for partnership engagement. Building capacity in these offices is crucial to ensure local ownership in partnerships and to facilitate bottom-up growth of such collaborative initiatives.

Action item 4: Provide training to United Nations staff in country and regional offices

One particularly important component of building capacity at the country level is the provision of training for country office staff. The valuable work the United Nations Systems Staff College (UNSSC) and the UNDP Learning Resources Centre should be continued and expanded. The recently created "Partnerships and the United Nations Global Compact" programme has the potential to serve some of these training needs and deserves additional resources to achieve greater scale and reach. This programme should build on the experiences that have already

been gathered in providing training in regional and country offices – for example the partnership training model that was implemented by UNDP's Regional Bureau for Europe and the Commonwealth of Independent States (profiled above).³ The United Nations should more fully mobilize system-wide catalysts, such as the United Nations System Chief Executives Board (CEB) for Coordination and the UNSSC's United Nations Learning Community of senior human resources managers and mainstream partnership capacity building into well-established and resourced programmes, such as the Resident Coordinator System. Finally, partnership building learning competencies should be reinforced in the Senior Management Network Learning Framework via the "United Nations Learning Community" of senior United Nations human resources managers. Another entry point is the United Nations Development Group (UNDG) and the Development Group Office (DGO) which encourage United Nations partners to work through the UNDG Programme Group to develop training modules on substantive subject matter – such as partnering with the private sector – to be made available through the UNDG website for supplemental training for country teams.

Building the foundation for “smart selectivity”

Almost all United Nations organizations have become involved in partnerships during the past decade. As demonstrated in previous chapters, many of them have produced impressive results. In order to reach the next level in this process, the United Nations will need to scale up those partnership activities that do work and scale down those that do not.

Action item 5: Introduce a selectivity mechanism

Scaling-up and scaling-down requires being selective. In order to be selective, the United Nations needs a selectivity system in place. That system should consist of two basic sets of indicators.

The first set relates to the contribution a partnership can potentially make to the mission and goals of a specific United Nations organization and to what extent it has the potential to draw on and benefit from its core competencies (functional selectivity). The United Nations should not get engaged in partnerships that do not have the potential to contribute to mission accomplishment, or that do not build on the core competencies of the organization. The second set of indicators relates to the potential impact a partnership can have and its input/output ratio (performance selectivity). This second set of indicators should be based on the results of systematic and comparative impact assessment of partnerships that have already been implemented.

A selectivity system based on these two sets of indicators can not generate black and white results. With few exceptions, it is not possible to determine a priori how a partnership may develop and what kinds of impact it can produce. However, a system of “smart selectivity” provides the basis for an informed judgment. What it requires is not only a clear strategic vision on the part of the United Nations about what kind of partnerships it would like to get engaged in – it also requires more systematic impact assessment to capture and disseminate best and worst practice.

Action item 6: Engage in systematic impact assessment on partnerships

Impact assessment helps to strengthen partnerships. Some United Nations organizations have already gathered some experiences in assessing the impact of partnerships and the results – as well as the techniques used. These experiences should be widely shared across the United Nations system. Individual impact assessments and evaluation studies will not be

sufficient to detect larger patterns and trends. Current research on partnerships suffers from a lack of comparable case studies and other data. Resources should be made available to facilitate such applied research work in order to improve the systematic understanding of where, when and under what circumstances partnerships are likely to deliver.

Investing in system-wide learning and coordination of partnership work

As this report demonstrates, some United Nations organizations are ahead of others in terms of experience in working with business and civil society. As a consequence, there is great potential for information sharing and learning across the United Nations system, including the exchange of best and worst practice on partnerships.

There are various low-cost solutions that could help the United Nations share relevant experiences and provide business with an easily accessible window into their world.

- The United Nations Global Compact Office should ensure that regular meetings of Private Sector Focal Points of the United Nations system are convened to facilitate networking and an exchange of ideas and best practices.
- The United Nations System Staff College should be recognized as a system-wide resource for learning and mentoring on partnerships and adequate resources should be made available to facilitate its work in this arena.
- The existing pages of the United Nations website that focus on the work of the United Nations with business and civil society need to be used more effectively.
- An online community of practice including an email list and bulletin board to enable better networking and communication between United Nations Private Sector Focal Points should be created.
- An electronic newsletter to foster an easier exchange of experiences among United Nations Private Sector Focal Points should be developed.

Over time, resources should be made available to create a central portfolio of ongoing partnerships in the United Nations system. This has a triple purpose of showcasing partnerships to both business and United Nations staff, avoiding duplication and acting as a minimum accountability mechanism.

As noted above, there are no one-size-fits all solutions for reform – each United Nations fund, programme and agency needs to develop its own, tailor-made approach towards partnering with business and civil society. Adapting the United Nations to the new challenge of working with external stakeholders requires time and will not be accomplished overnight. Any large-scale process of organizational change takes determination, time and resources to get the job done.

As highlighted in this report, the United Nations' value-based mission, convening power and geographical reach provide the Organization with unique strengths when partnering with non-governmental actors. These institutional strengths have proven to be important factors for why business enters into partnerships with the United Nations. Furthermore, as this report has shown, once business accepts the United Nations' value proposition and aligns its practices with universal principles, a company's propensity to engage in opera-

tional initiatives increases significantly. United Nations principles can thus form a robust basis for long-term relationships and ongoing engagement with business. The United Nations value proposition provides a profound incentive for its partners and should be further leveraged.

Governments are supporting the process of organizational change and adaptation at the United Nations to make the Organization fit for partnerships. They also execute political oversight, thereby lending important legitimacy to the many ongoing initiatives. Many Governments also actively participate in partnership projects themselves, as the case studies included in this report show. In fact, the participation of Governments – both local and national – is crucial for local ownership as well as partnership impact. Finally, many Governments have also launched their own bilateral partnership programmes, reaching out to other stakeholders in order to enhance their work.⁴ Therefore, there is not just a potential for learning across the United Nations system. Governments should also support and foster an exchange of information about best and worst practice between their own bilateral agencies and the relevant United Nations organizations. Partnerships clearly serve as a vehicle for meeting Government goals and objectives. Governments should therefore continue to lend their backing for the United Nations as it reaches out to business and civil society – through oversight, progress reviews and resource support.

In his report “In Larger Freedom: Towards Security, Development and Human Rights for All,” Secretary-General Kofi Annan writes: “The United Nations was built for a different era.” Now, the challenge is to adapt the institution to the requirements of an ever moving, globalized world. The world that Secretary-General Kofi Annan describes in his bold reform proposal demands innovative responses to the challenges of globalization. The leadership of the United Nations has begun to put partnerships with business and civil society at the forefront of its vision. Now is the time to match vision with systematic action. In a world of complex challenges, partnering with business and civil society is not as much a choice as it is a necessity for the United Nations. Partnerships provide opportunities and they pose challenges. Partnerships among the United Nations, business and civil society have emerged as one important new component in the toolbox of global governance. They are no substitute for effective Government action. However, in a world of major resource constraints and ever more daunting global challenges, partnerships are not merely “nice to have”. Partnerships constitute indispensable instruments and their potential needs to be fully leveraged. To this end, the United Nations needs to continue on its path of reform, putting all the necessary skills, policies, tools and mechanisms in place to foster impact-oriented and sustainable partnerships.

Endnotes

¹ United Nations (2000). "We the Peoples: The Role of the United Nations in the 21st Century. The Millennium Report of the Secretary-General." New York: United Nations.

³ Many of the steps included below were also raised during the most recent United Nations Private Sector Focal Point meeting in Geneva in May 2005.

³ For more information on that programme, please refer to the UNSSC website at <http://www.unssc.org/web1/>.

⁴ Bilateral development agencies that facilitate such work include, among others, the UK Department for International Development (see <http://www.dfid.gov.uk/aboutdfid/dfidwork/privatesector.asp>); the U.S. Agency for International Development (see http://www.usaid.gov/our_work/global_partnerships/); the Dutch Foreign Ministry (http://www.minbuza.nl/default.asp?CMS_NOCOOKIES=YES&CMS_ITEM=25C1628353A04992A005246635DDD958X3X39280X49); and the German Agency for Technical Cooperation (GTZ) (see www.gtz.de/ppp).

References

This brief list of selected references is designed to help the interested reader navigate the broad and continuously expanding literature on partnerships.

The bibliography is divided into the following six subsections:

- (1) The United Nations and partnerships
- (2) The partnership paradigm
- (3) Globalization, global governance and United Nations reform
- (4) United Nations Global Compact Office Publications
- (5) Business, Corporate Social Responsibility and the Millennium Development Goals
- (6) United Nations guidelines and other relevant official documents

The United Nations and partnerships

These references provide an array of the literature on partnerships between business, civil society and the United Nations. They encompass partnership reports by organizations within the United Nations system, internal and external stakeholder reviews and conceptual analyses of partnership development and activities.

Andanova, Liliana B and Marc A. Levy. (2004). "Franchising Global Governance: Making Sense of the Johannesburg Type II Partnerships." **Yearbook of International Co-operation on Environment and Development**, 2003/2004. London: Earthscan.

Buse, Kent and Amalia Waxman (2001). "Public-Private Health Partnerships: A Strategy for WHO." **Bulletin of the World Health Organization**, vol. 79, No. 8.

Friedrich, Alexander Gunther and Valence E. Gale (2004). **Public-Private Partnership within the United Nations System: Now and Then**. Bielefeld: Bertelsmann.

Hale, Thomas N. and Denise L. Mauzerall (2004). "Thinking Globally and Acting Locally: Can the Johannesburg Partnerships Coordinate Action on Sustainable Development?" **Journal of Environment & Development**, vol. 13, No. 3.

Institute for Health Sector Development (2003). **Independent External Evaluation of the Global Stop TB Partnership**. Geneva: Stop TB. (Report accessible online at <http://www.stoptb.org>.)

Kettler, Hannah and Karen White (2003). **Valuing Industry Contributions to Public-Private Partnerships for Health Product Development**. Geneva: Global Forum for Health Research, The Initiative on Public-Private Partnerships for Health. (Report accessible online at <http://www.ippph.org>.)

Reinicke, Wolfgang H., Francis M. Deng, et al. (2000). **Critical Choices: The United Nations, Networks and the Future of Global Governance**. Ottawa: International Development Research Centre.

Richter, Judith (2004). "Public-Private Partnerships for Health: A trend with no alternatives?" **Development**, vol. 47, No. 2.

Save the Children UK (2002). **New Products into Old Systems. The Global Alliance for Vaccines and Immunization (GAVI) from a Country Perspective**. London: London School of Hygiene and Tropical Medicine. (Report accessible online at <http://www.savethechildren.org.uk>.)

Utting, Peter (2000). "UN-Business Partnerships: Whose Agenda Counts?" **Transnational Associations**, vol. 53, No. 3.

Witte, Jan Martin, Charlotte Streck and Thorsten Benner, editors (2003). **Progress or Peril? Partnerships and Networks in Global Environmental Governance. The Post-Johannesburg Agenda**. Berlin: Global Public Policy Institute.

World Bank (2002). **Health in Your Hands: Lessons from Building Public-Private Partnerships for Washing Hands with Soap**. Washington, D.C.: World Bank (Report accessible online at <http://www.globalhandwashing.org>.)

Zammit, Ann (2003). **Development at Risk: Rethinking UN-Business Partnerships**. Geneva: South Centre.

The partnership debate

Partnerships between the public sector and private sector entities (including business and civil society) have sparked a dynamic debate among theorists and practitioners in recent years. This section offers a selection of positions by influential experts and opinion-makers.

Benner, Thorsten, Wolfgang H. Reinicke and Jan Martin Witte (2004). "Multisectoral Networks in Global Governance: Towards a Pluralistic System of Accountability." **Government and Opposition**, vol. 39, No. 2.

Berger, Ida E., Peggy H. Cunningham and Minette E. Drumwright (2004). Social Alliances: Company/Nonprofit Collaboration. **California Management Review**, vol. 47, No. 1.

Börzel, Tanja A. and Thomas Risse (2005) "Public-Private Partnerships: Effective and Legitimate Tools of International Governance?" in **Complex Sovereignty: Reconstituting Political Authority in the Twenty-first Century**, E. Grande and L. W. Pauly, eds. Toronto: University of Toronto Press.

Farlam, Peter (2005). **Working Together: Assessing Public-Private Partnerships in Africa**. Nepad Policy Focus Series. Braamfontein: The South African Institute of International Affairs.

Osborne, Stephen P. (2000). **Public-Private Partnerships: Theory and Practice in International Perspective**. Routledge Advances in Management and Business Studies, 19. London: Routledge.

Reich, Michael, editor (2002). **Public-Private Partnerships for Public Health**, Harvard Series on Population and International Health. Cambridge, MA: Harvard Centre for Population and Development Studies.

Warner, Michael and Rory Sullivan, editors (2004). **Putting Partnerships to Work: Strategic Alliances for Development Between Government, the Private Sector and Civil Society**. Sheffield, UK: Greenleaf Publishing.

World Economic Forum (2005). **Financing for Development Initiative Interim Report**. Cologny/Geneva: World Economic Forum. (Report available online at <http://www.weforum.org>.)

Globalization, global governance and United Nations reform

This section is intended to serve as an introduction to literature on the impact of economic and political globalization, its implications for governance mechanisms and the United Nations' particular role in global governance.

Annan, Kofi A. (2005). "In Larger Freedom: Decision Time at the UN." **Foreign Affairs**, vol. 84, No. 3.

Annan, Kofi A. (2000). **We the Peoples: The Role of the United Nations in the 21st Century**. New York: United Nations. (Report available online at <http://www.un.org/sg/millennium>.)

Kaul, Inge, Pedro Conceicao, Katell Le Goulven and Ronald U. Mendoza, eds. (2003). **Providing Global Public Goods: Managing Globalization**. New York: Oxford University Press.

Keohane, Robert and Joseph S. Nye, Jr. (2001). "The Club Model of Multilateral Cooperation and Problems of Democratic Legitimacy." In **Efficiency, Equity and Legitimacy: The Multilateral Trading System at the Millennium**, R. B. Porter, P. Sauvé, A. Subramanian, A. B. Zampetti, eds. Washington, D.C.: Brookings Institution Press.

Reinicke, Wolfgang H. (1998). **Global Public Policy: Governing Without Government?** Washington, D.C.: Brookings Institution Press.

Smith, Gordon and Moisés Naím (2000). **Altered States: Globalization, Sovereignty and Governance**. Ottawa: International Development Research Centre.

United Nations Global Compact Office publications

Over the past five years, the United Nations Global Compact has undertaken a variety of initiatives that have had significant impact. The following is a select list of relevant reports published by the United Nations Global Compact Office.

Claude Fussler, Aron Cramer, Sebastian van der Vegt, eds. (2004). **Raising the Bar: Creating Value with the United Nations Global Compact**. Sheffield: Greenleaf Publishing.

Sustainability and the United Nations Global Compact Office (2004). **Gearing Up: From Corporate Responsibility to Good Governance and Scalable Solutions**. London: Sustainability

United Nations Global Compact Office (2004). **Who Cares Wins: Connecting Financial Markets to a Changing World**. New York: United Nations

United Nations Global Compact and the Office of the United Nations High Commissioner on Human Rights (2004). **Embedding Human Rights in Business Practice**. New York/Geneva: United Nations.

United Nations Global Compact Office (2005). **Enabling Economies of Peace: Public Policy for Conflict-Sensitive Business**. New York: United Nations.

United Nations Global Compact Office (2002). **Building Partnerships: Cooperation between the United Nations system and the private sector**. New York: United Nations.

Business, Corporate Social Responsibility, and the Millennium Development Goals

The role of business in an ever-shrinking global society is contested. Yet the United Nations Millennium Development Goals can only be achieved in collaboration with the private sector. Corporate Social Responsibility is frequently quoted as a means through which business can contribute to the achievement of the MDGs.

Carpenter, George and Peter White (2004). "Sustainable Development: Finding the Real Business Case." **Corporate Environmental Strategy: International Journal for Sustainable Business**, vol. 11, No. 2.

Florini, Ann (2004). "Business and Global Governance. The Growing Role of Corporate Codes of Conduct." **Brookings Review**, vol. 21, No. 2.

Fussler, Claude (2004). "Responsible Excellence Pays!" **Journal of Corporate Citizenship**, vol. Winter 2004, No. 16.

Henderson, David (2005). "The Role of Business in the World of Today." **Journal of Corporate Citizenship**, vol. Spring 2004, No. 17.

Shell Foundation (2005). **Enterprise Solutions to Poverty: Opportunities and Challenges for the International Development Community and Big Business**. London: Shell Foundation. (Report available online at <http://www.shellfoundation.org>.)

United Nations Commission on the Private Sector & Development (2004). "Unleashing Entrepreneurship: Making Business Work for the Poor." Report to the Secretary-General of the United Nations. New York: United Nations.

Millennium Project (2005). "Investing in Development. A Practical Plan to Achieve the Millennium Development Goals." Report to the Secretary-General. New York: United Nations Development Programme.

Ruggie, John Gerard, editor (2004). **The Impact of Corporations on Global Governance: a Report of the Empire and Democracy Project**. New York: Carnegie Council on Ethics and International Affairs.

United Nations guidelines for partnering with business (and other United Nations documents)

Partnering with external stakeholders presents both an opportunity and a challenge to organizations within the United Nations system. The following references represent a selection of official United Nations guidelines and handbooks for partnerships.

Food and Agricultural Organization (2005). Terms of Reference For An Evaluation of FAO's Cross-organizational Strategy Broadening Partnerships and Alliances. Rome: FAO. (Available online at http://www.fao.org/docs/eims/upload/170854/Final_tor_partnership.doc)

United Nations (2001). The role of the United Nations in promoting development, particularly with respect to access to and transfer of knowledge and technology, especially through information and communication technologies, inter alia, through partnerships

with relevant stakeholders, including the private sector. Report of the Secretary-General (E/2001/59). New York: United Nations.

United Nations (2003). Enhanced cooperation between the United Nations and all relevant partners, in particular the private sector. A/58/227. (Available online at <http://www.un.org/business>.)

United Nations Department of Economic and Social Affairs (2000). Bali Guiding Principles. New York: United Nations (Available online at http://www.un.org/esa/sustdev/partnerships/bali_guiding_principles.htm.)

United Nations Development Programme (2002). UNDP and the Business Sector. Working Together to Fight Poverty. New York: UNDP. (Available online at <http://www.undp.org/business/buse9dec02.pdf>.)

United Nations Development Programme (2004). UNDP and the Private Sector. Building Partnerships for Development. New York: UNDP. (Available online at <http://www.undp.org/business/docs/UNDP%20The%20Private%20Sector.pdf>.)

United Nations Development Programme (2001). UNDP Guidelines for Working with the Business Sector. New York: UNDP. (Available online at http://www.undp.org/business/New%20Guidelines_final071201.doc.)

United Nations Development Programme (2001). UNDP Policy Statement on Working with the Business Sector. New York: UNDP. (Available online at http://www.undp.org/business/UNDP_pspolicy_72001_final.doc.)

United Nations High Commissioner for Refugees (n.d.). UNHCR Corporate Code of Conduct. Geneva: UNHCR. (Available online at <http://www.unhcr.ch/cgi-bin/texis/vtx/partners?id=3d904d954>.)

United Nations Industrial Development Organization (2002). Partnership Guide. Vienna: UNIDO. (Available online at <http://www.unido.org/en/doc/12982>.)

United Nations Industrial Development Organization (2002). What UNIDO does. Vienna: UNIDO. (Available online at <http://www.unido.org/file-storage/download/?file%5fid=12976>.)

United Nations Industrial Development Organization (2004). Operationalizing UNIDO's Corporate Strategy. Services and Priorities for the Medium Term. 2004-2007. Vienna: UNIDO. (Available online at http://www.unido.org/file-storage/download/?file_id=21545.)

United Nations International Children's Fund (2001). UNICEF Guidelines and Manual for Working with the Business Community. Identifying the Best Allies. Developing the Best Alliances. New York: UNICEF. (Available online at [http://www.unicef.org/videoaudio/PDFs/Summaryguidelines\(1\).doc](http://www.unicef.org/videoaudio/PDFs/Summaryguidelines(1).doc).)

United Nations Volunteers (2005). The Private Sector and Volunteerism for Development. A Guidance Note for Volunteer-Involving Organizations. Draft as of 6/05/2005. Bonn: UNV. (Available online at http://glow.civiblog.org/V4D_GuidanceNote_PvtSector_Eng.pdf.)

World Health Organization (2000). Guidelines on Working with the Private Sector to Achieve Health Outcomes. Report by the Secretariat. Geneva: WHO. (Available online at http://www.who.int/gb/ebwha/pdf_files/EB107/ee20.pdf.)

World Health Organization (2001). Strategic alliances. The role of civil society in health. Discussion Paper No. 1. Geneva: WHO. (Available online at http://www.who.int/civilsociety/documents/en/alliances_en.pdf)

Acronyms

ACMA	Indian Automotive Component Manufacturers Association
CEB	United Nations System Chief Executives Board for Coordination
CECI	Centre Canadien d'Étude et de Coopération Internationale
CERES	Coalition for Environmentally Responsible Economies
CIDA	Canadian International Development Agency
CSD	United Nations Commission on Sustainable Development
CWG	Collaborative Working Group
DESA	UN Department of Economic and Social Affairs
DSD	Division for Sustainable Development
DTIE	Division of Technology, Industry and Economics
ECOSOC	United Nations Economic and Social Council
FAO	Food and Agricultural Organization
GAIN	Global Alliance for Improved Nutrition
GC	Global Compact
GRI	Global Reporting Initiative
GSM	Global System for Mobile Communications
GTZ	German Agency for Technical Cooperation
HAT	Human African Trypanosomiasis (sleeping disease)
IFRC	International Federation of Red Cross and Red Crescent Societies
IUCN	World Conservation Union
MDGs	Millennium Development Goals
MSF	Médecins Sans Frontières (Doctors Without Borders)
NFA	National Fortification Alliance
NFP	National Fortification Programme
NGOs	Non-Governmental Organizations
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
PNK	Projet National Karité
R&D	Research and Development
RBEC	Regional Bureau for Europe and the Commonwealth of Independent States
SEED	Supporting Entrepreneurs for Environment and Development
SME	Small and Medium-sized Enterprises
TB	Tuberculosis
UGK	Unions des Groupements Kiswendsida
UN ICT	United Nations Information and Communication Technologies Task Force
UNCTAD	United Nations Conference on Trade and Development
UNDAC	United Nations Disaster Assessment and Coordination
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNFIP	United Nations Fund for International Partnerships
UN-HABITAT	United Nations Human Settlements Programme
UNICEF	The United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNIFEM	United Nations Development Fund for Women
UNITAR	United Nations Institute for Training and Research
UNSSC	United Nations System Staff College
USAID	United States Agency for International Development
WEHAB	Water, Energy, Health, Agriculture and Biodiversity
WFP	United Nations World Food Programme
WHO	World Health Organization
WSSD	World Summit on Sustainable Development

Acknowledgments

This report is a product of excellent teamwork. The authors would like to thank Elisabeth Heid, Michael Okrob and Claudius Furtwängler (GPPI) for researching and writing the case studies for this report and for providing comments and encouragement along the way. In addition, Thorsten Benner (GPPI) and Sören Buttkereit (GPPI and McKinsey & Company) provided critical feedback on drafts of the report and thereby helped to shape it in important ways. A special thank you to the United Nations Global Compact designer Upasana Young for her patience, persistence and graphics skills.

The research, writing and publication of this report would not have been possible without the input of numerous individuals from the United Nations, business and civil society. The authors would like to thank the following people in particular, who answered questionnaires, agreed to being interviewed and provided a wide range of information and advice.

United Nations (in alphabetical order)

Subramonia Ananthakrishnan (UN Habitat), William Andrianasolo (UNV), Maria Theresa Angulo (OCHA), Zvetolyub Basmajiev (UN DESA), Rachel Bedouin (FAO), Kai Bethke (UNIDO), Pascale Bonzom (UNDP), Sandro Calvani (UNODC), Jason Cardosi (World Bank), Liliana Frierio-Berglund (UNFPA), Rune Froseth (OCHA), Cherif Ghaly (OCHA), Daniela Giacomelli (UN ICT Task Force), Anne-Marie Grey (UNICEF), Eckhard Hein (FAO), Michael Hooper (UNDP), Jean-Georges Jannin (WHO), Michael Jarvis (World Bank), Terry Jegggle (ISDR), Arun Kashyap (UNDP), William Kennedy (UNFIP), Igor Kondratyev (UNDOC), Christelle Loupforest (OCHA), Wilfried Luetkenhorst (UNIDO), Monica Marshall (WFP), Sarah McCue (World Bank), Philipp Müller-Wirth (UNESCO), David Murphy (UNSSC), Marit Nilses (UNESCAP), Christophe Nuttall (UNITAR), Sonia Obregon (UNDP), David O'Connor (UN DESA), Amanda Pimgree (IFAD), Oscar de Rojas (UN DESA FfD Office), Frans Röselaers (ILO), Gian Piero T. Roz (International Trade Centre), Mita Sen (UN DESA), Krishnan Sharma (UN DESA FfD Office), Casper Sonesson (UNDP), Sean Southey (UNDP), Seynabou Tall (UNIFEM), Aysen Tanyeri-Abur (FAO), Cornelius van der Lugt (UNEP), Vera Weil-Halle (IFAD), Lene Wendland (OHCHR).

Business (in alphabetical order)

Michael Anthony (Allianz), Graham Baxter (BP), Thomas Bergmark (IKEA), Andreas Blüthner (BASF), Mandy Cormack (Unilever), Luke Disney (TNT), Katarina Eriksson (Tetra Pak), Randy Gossen (Nexen), Françoise Grumberg (Alcatel), Gabriele Hartmann (SAP), Stefanie Held (WEF), Dominique Heron (Veolia), Hanns-Michael Hölz (Deutsche Bank), Annette Kunde (BASF), Marie-Alice Lallemand Flucher (Dexia), Steve Lennon (ESKOM), Dag Nielsen (Ericsson Response Programme), Carolyn Nimmy (CapGemini), Ludo Oelrich (TNT), Geraldine Pauly (Accor), Richard Samans (WEF), Anthony Sampson (AVIVA), Christine Schneider (Henkel), Luca Sciolli (ENI), Helen Sullivan (Shell), Nicolás Umaña Jimeno (Carrefour Venezuela), Valerie Weinzierl (WEF), Peter White (Procter and Gamble).

Other (in alphabetical order)

Markus Beckmann (Wittenberg Centre for Global Ethics), David Beffert (GPPI), Johanna Brinkmann (Wittenberg Centre for Global Ethics), Fernando Fernandez (Amnesty International Venezuela), Jörg Hartmann (GTZ), Ulrike Haupt (BMZ), Minu Hemmati (Seed Initiative), Vanessa Herringshaw (Save the Children UK), Paula Hildebrandt (GTZ), Bernd Lunkenheimer (GTZ), Berangere Margarinos (GAIN), Jane Nelson (Harvard University and IBLF), Angela Scholl (Galaxar, S.A.), Valerie Schuster (Wittenberg Centre for Global Ethics).

We would like to extend our thanks to the participants of a United Nations System Private Sector Focal Points Meeting co-hosted by the UN Global Compact and the UN System Staff College in May 2005 and to the participants of a GPPI Discussion Series Meeting in June 2005, during which some of the result of this study were presented and discussed.

A special thank you to Melissa Powell and Georg Kell of the United Nations Global Compact Office who entrusted us with this project and who provided critical support and intellectual stimulus along the way.

About the United Nations Global Compact

The United Nations Global Compact is an international voluntary initiative that brings companies together with United Nations agencies, labour and civil society to support ten principles in the areas of human rights, labour, the environment and anti-corruption. Through the power of collective action, the Global Compact seeks to advance responsible corporate citizenship and help business become part of the solution to the challenges of globalization. The Compact relies on public accountability, transparency and the enlightened self-interest of companies, labour and civil society to:

- Mainstream the ten principles in business activities around the world
- Catalyze actions in support of United Nations goals

The United Nations Global Compact is an expanding network of over 2,000 participants from all regions of the world. At its core are the United Nations Global Compact Office and six United Nations agencies: the Office of the High Commissioner for Human Rights, the United Nations Environment Programme, the International Labour Organization, the United Nations Development Programme, the United Nations Industrial Development Organization and the United Nations Office on Drugs and Crime.

The United Nations Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. The principles are as follows:

Human Rights

- 1** Businesses should support and respect the protection of internationally proclaimed human rights, and
- 2** make sure that they are not complicit in human rights abuses.

Labour

- 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining,
- 4** the elimination of all forms of forced and compulsory labour,
- 5** the effective abolition of child labour, and
- 6** the elimination of discrimination in respect of employment and occupation.

Environment

- 7** Businesses should support a precautionary approach to environmental challenges,
- 8** undertake initiatives to promote greater environmental responsibility, and
- 9** encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- 10** Businesses should work against corruption in all its forms, including extortion and bribery.

About the Global Public Policy Institute

The Global Public Policy Institute (GPPI) is an independent, non-profit think tank located in Berlin with a long track record in research and consulting in global governance.

GPPI engages in three lines of work:

Research. GPPI explores new approaches to effective and accountable governance. Topics include, among others, the reform of international organizations and public-private partnerships.

Consulting. GPPI offers strategic consulting services to Governments, international organizations, foundations, NGOs and companies.

Debate. GPPI engages the broader public in a debate on new governance approaches through workshops, conferences, and publications.

For more information about the work of the institute please visit
www.globalpublicpolicy.net.

